PROCEEDINGS

of

THE TRAVANCORE SRI MULAM ASSEMBLY.

SECOND ASSEMBLY.

THIRTEENTH SESSION—1118/1943.

(OFFICIAL REPORT)

Monday, the 19th July 1943 / 3rd Karkatagom 1118.

The Assembly met in joint session with the Sri Chitra State Council in the Legislative Chamber, Public Offices at 12 noon, the President Sachivottama Sir C. P. Ramaswami Aiyar, K. C. S. I., K. C. I. E., LL. D., Dewan of Travancore presiding.

H. J. Todd Esq., Resident for the Madras States and Mrs. Todd were seated on the dais. Mr. T. M. Krishnaswami Aiyar, Chief Justice of the High Court of Travancore and Lieut. Col. T. T. Laville, Commandant of the Travancore State Forces were also seated on the dais.

PRESIDENT: Mr. Financial Secretary,

MR. A. LAKSHMINARAYANA AIYAR (*Financial Secretary to Government*):

Sir,

Since I presented my first budget to this House last year, the war situation has greatly improved. The resounding success of the Allied Arms in North Africa and the check to Japanese aggression lead to a distinct hope that the victory of the Allies will be achieved in the very near future. No change in the economic aspect is yet visible; but the prospects appear definitely brighter. The favourable and unfavourable conditions consequent on the war prevail as before. Our commercial crops continue to fetch high prices with the resultant increase of money, both in circulation and otherwise, in the country and improvement in Government revenue. Demands for war supplies have provided employment to a large number of people, thereby relieving, though temporarily, the economic strain to a considerable extent. The loss of overseas trade and difficulties relating to shipping and transport have complicated the situation and the materials and machinery required from abroad for our capital enterprises are not easily obtainable. Prices are soaring all round and the food

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[Mr. A. Lakshminarayana Aiyar]

situation is more acute. In spite of all possible action taken by Government, Sir, guided by your characteristic courage and foresight, in the matter of control, purchase and rationing, where we forestalled other Governments, the food position is still causing anxiety due to causes beyond our control and we are still awaiting with anxiety the implementing by the Central Government, of a fully organised scheme for the procurement and distribution of food grains especially in respect of deficit areas like Travancore.

Before I deal with the budget of the coming year based on these conditions, I shall, as usual, touch briefly on the results of the last year and the Revised Estimates of the current year.

Actuals of 1117.

2. For 1117, we budgeted for a revenue of Rs 280·73 lakhs and an expenditure of Rs 279·23 lakhs, thus anticipating a small surplus of Rs 1·5 lakhs. Due, however, to specially favourable conditions which prevailed during the year, the actuals, chiefly under Customs, Forest and Railways showed a marked upward trend. The revised estimate was therefore expected to go above the three-crore mark not reached before and was fixed at Rs 301·41 lakhs. The final accounts of the year showed a still further rise and stood at Rs 314·52 lakhs. The real figure is still higher, (*viz.*) Rs 320 lakhs as a sum of Rs 5·5 lakhs was removed from Customs receipts during the year to a suspense head. This sum of Rs 5·5 lakhs represents the extra duty on petrol included in Cochin Harbour receipts in the accounts of some previous years which should normally have been transferred to the Road Development Fund, but not so transferred. The adjustment of this amount to the credit of the Fund together with similar receipts for 1118 and 1119 will be effected in the accounts of 1119. The expenditure charged to revenue was kept well within the budget and amounted only to Rs 276·19 lakhs. There was thus a surplus of Rs 38·33 lakhs in the revenue account which was transferred to the Revenue Reserve Fund in accordance with the proposal made last year to dispose of the surplus.

3. In the capital section an amount of Rs 28·87 lakhs only could be spent against the budget of Rs 44·20 lakhs due to the difficulties in obtaining materials and equipment.

Revised Estimates of 1118.

4. I now turn to the year 1118. Owing to the uncertainties of the war situation, the budget for 1118 was framed on a conservative basis, although the prospect of our revenues reaching a high level as in 1117 was foreshadowed in my budget speech of last year. The results of 1118 as envisaged at present show that we had been too cautious. We expected a revenue of Rs 290·22 lakhs and an expenditure of Rs 285·13 lakhs with a resultant small surplus of Rs 5·09 lakhs. The latest revised estimate, however, shows that the revenue will be Rs 375·41 lakhs, creating again the highest record in the revenues of

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